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WHY SO HARSH ON THE UNEMPLOYED?

A SECOND DISCUSSION PAPER

Brotherhood of St Laurence
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July, 1974.

PREFACE

The Brotherhood of St Laurence released its first discussion paper 'Why So Harsh on the Unemployed' in February, 1972 at a time of rising unemployment.

This second document, which is more of an action/research study, comes at a time of supposedly full employment although there are now indications that anti-inflationary measures could again raise the unemployment levels.

The families in this study, members of the Brotherhood's Family Centre in Fitzroy, Victoria, are the people who are both overlooked when new proposals arise and also dealt with harshly when political pressures are applied.

Over the past two years, there have been no significant changes in their employment prospects. In some cases, the recent stringent applications of the 'work test' have, in fact, increased their hardship.

These men and their families are the unemployed poor. They have few rights and their situation is not helped by the thoughtless criticisms levelled at them. They are victims of scapegoating attitudes, discriminating legislation and circumstances of social deprivation. The community's lack of response to their needs has been based on a mixture of ignorance and myth.

This paper, which arises out of the joint efforts of the Brotherhood's Family Centre and its Social Issues Department examines both the micro and macro dimensions of the problem. Much of the work has been done by David Griffiths and staff of the Family Centre.

Special acknowledgment must go to the families themselves, especially those who have so willingly and openly expressed their deepest feelings in a way that can only throw new light on a long-standing problem.

July, 1974.

(Rev'd) Peter Hollingworth
Associate Director

Brotherhood of St Laurence

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INTRODUCTION -

The community has always drawn sharp distinctions between the 'deserving' and 'undeserving' poor, between those in 'genuine need' and 'the slackers'. Because our social values have been largely shaped by 'the work ethic', the sharpest distinction of all has been drawn in relation to work.

Thus an arbitrary distinction is drawn between 'the deserving', who are usually old, widowed or invalid, or working for low wages; and 'the undeserving' who are unemployed. The label of 'undeserving' is applied with particular rigor in times of full or over-full employment.

The application of labels based upon predetermined moral judgments made by people who are not themselves poor does great harm to those poor who are labelled as 'undeserving'. The harm occurs not only as a result of scapegoating attitudes which depress the poor, but also in legislation and regulations which discriminate against them.

It is important to challenge the long-standing myth that, in times of full employment, every unemployed person is lazy or deliberately trying to live off tax payers' money. It is important also to realise that what the unemployed poor are thought to be may be a greater determinant of policy than what they are.

The growing evidence and experience of the Brotherhood's Family Centre in Fitzroy indicates that there are some very poor people who are unemployed because they lack even the basic skills to get and hold a job. Their inability to get and hold jobs arises not out of personal failure, but rather from the community's failure to understand their circumstances and respond to their needs.

Appended to this paper are several case histories of people who are neither employed nor on unemployment benefit. Half of them are victims of a recent decision by the Australian Government to tighten the rules for the 'work test' for unemployment benefits. The case studies vividly reflect the hardship faced by these people, relieved only by a unique Family Centre income supplement scheme which guarantees each family an income commensurate with the minimum wage.

Whilst it is important to recognise that the Family Centre consists of a small group of 60 very poor families, the profile of the group itself is significant. Of the 60 families, only 30 have a potential male wage earner. Of these 30, 22 have been, for varying periods, recipients of unemployment benefits. Some of these are now working regularly due to the vigorous efforts of staff to assist them in finding suitable work.

The case studies fall into two categories: the first group demonstrate how the more rigorous application of the work test which came into force in mid-April, 1974 denied them benefits: the second group are neither working nor on benefits due to alienation from the Commonwealth Employment Service in their refusal to register as unemployed.

The special significance of these studies lies in the fact that it is quite inappropriate to apply the labels of 'deserving' and 'undeserving' to these families. They are simply people with little or no education, no job skills, often victims of chronic illness, and low in self-esteem. They are powerless - not clever enough even to manipulate the system and thus stay on unemployment benefits.

Beginning with the families we know, we wish to consider some of the wider policy issues affecting their lives. It is not known how many other people in Australia face similar hardships, but it is certain that most other Australian voluntary agencies are presently supporting large numbers of them.

This paper also examines the attitudes that lie behind common criticisms of the unemployed poor and the assumption that every unemployed individual should be able to fill the existing job vacancies.

In conclusion, it makes a number of recommendations aimed at alleviating the problem.

STATISTICAL ILLUSIONS -

Politicians, trade union leaders, employers and the press have become adept at commenting on The Department of Labor's monthly unemployment and unfilled vacancy statistics. These statistics, however, provide only a general indication of the unemployment situation and, as a consequence, conceal wide variations in different geographical areas, industries and occupations.¹ K. J. Hancock, D. S. Ironmonger and J. E. Isaac have made the following comments on the vacancy statistics:²

"Firstly, notification of vacancies is voluntary and is affected by the extent of canvassing undertaken by DEQ's. Secondly ... hard-to-fill vacancies may be expected to form an important proportion of CES unfilled vacancies ... Thirdly, vacancy figures are affected by the tendency of employers to overstate their demand for labour (particularly in terms of labour shortage), by the judgment of DEQ's in interpreting imprecise statements made by employers and by the frequency with which they check on the continued currency of vacancy notifications. Finally, CES vacancy statistics are not directly comparable with unemployment statistics because the latter relate to persons who at the stated time are actually unemployed and available for work, whereas the current vacancy statistics relate to the immediate situation and the following month: and because vacancies (unlike unemployment figures) include full-time, part-time and casual jobs."

1. The Department of Labor's monthly statistics provide information on the sex and occupation of the unemployed for Australia and each State. For a discussion of these statistics, see: GRIFFITHS, David - Unemployment: The Facts and Effects - Brotherhood of St Laurence, November, 1972 - pp.6-8, 50-51, 70-71.

2. Report of the Advisory Committee on Commonwealth Employment Service Statistics, November, 1973.

An examination of the Department of Labor's statistics shows, for instance, that although in February, 1974 there were 18,298 unskilled workers, there were only 8,637 vacancies for unskilled people. When we examine the situation of country towns, e.g. Dubbo in N.S.W., there were 886 unemployed males and only 199 unfilled vacancies. A similar situation existed at Gosford where there were 663 unemployed males in relation to 163 jobs; a ratio of 25 unemployed per each vacant job. While there may be jobs available somewhere, employment could well mean an interstate move, selling up one's home, leaving friends and relations and starting afresh. The other point that needs to be remembered is that 60% of the jobs listed as vacant in February, 1974 were for people with skills - professional, clerical, building, electrical and others. Thus, over half of the job opportunities were not available to the semi-skilled and unskilled unemployed.

3. Calculations used here are based on statistics in Monthly Review of the Employment Situation, Department of Labor, February, 1974. pp 6-7 and 12.

Nonetheless, statistically based arguments are invariably misleading and are open to many different interpretations. Whether the unemployment level stands at 1%, 1.5%, 2%, 4% or 6%, there are people who are unemployed largely because they do not fit into the existing structure of the work-force and no amount of statistical manipulation will change this basic fact.

WHO ARE THE UNEMPLOYED?

We must first distinguish between the various groups of unemployed people and understand their situations before making any judgments about whether or not they want to work.

"PERCENTAGE DISTRIBUTION OF REGISTERED UNEMPLOYED MALES AND FEMALES BY OCCUPATIONAL GROUP, 1954-1971:

<u>OCCUPATIONAL GROUP</u>	<u>End June, 1954</u>	<u>1961</u>	<u>1966</u>	<u>1971</u>
<u>Males -</u>				
<u>Clerical & Administrative</u>	11.5	7.2	8.5	10.2
Skilled	7.9	14.2	9.4	10.6
Semi-skilled	27.1	38.7	35.8	32.0
Unskilled manual	28.7	27.4	31.1	33.8
Service	16.5	6.9	8.6	7.3
All others (i.e. rural & professional)	8.3	5.6	6.6	6.1
Total	100.0	100.0	100.0	100.0
<u>Females -</u>				
<u>Clerical & Administrative</u>	32.4	35.8	44.8	51.3
Semi-skilled	30.7	35.5	25.0	22.1
Service	33.6	26.3	27.7	23.8
All others (i.e. rural, professional, skilled & unskilled manual)	3.3	2.4	2.5	2.8
Total	100.0	100.0	100.0	100.0

Source: Department of Labour. Unemployed persons registered for unemployment with the C.E.S. Previously unpublished statistics."

Apart from a marginal increase in the number of unskilled manual unemployed males, an important point is the considerable change in the occupational structure of unemployed females. The proportion of women registered in clerical and administrative occupations rose between 1954 and 1971 relative to all other occupations.

As stated in the Introduction, this paper confines its remarks to a small group of long-term unemployed who are known to the B.S.L. There are roughly 30 employable men⁶ involved in the B.S.L.'s Family Centre Project which consists of 60 families. These are family men who, throughout the period of 'full employment'⁸ and labour shortages, have continued to find difficulty in obtaining and maintaining work.

4. In 1970, the then Department of Labour and National Service undertook an analysis of unemployment in a full market economy. The Department identified five categories of people in unemployment - frictional, structural, hard core, seasonal and technological. The BSL's 'unemployed' come under all the categories except the first where people are moving from one job to another. An Analysis of Full Employment in Australia, Labour Market Studies No. 2, 1970 - pp 23-27.

5. Women's Bureau, Department of Labour - Women and Work, No. 11: Facts and Figures. Australian Government Publishing Service, September, 1973 - p.20

6. What constitutes employability will be obvious as the discussion proceeds, but employability depends on availability, accessibility and congeniality of the work.

7. For reports of the Family Centre Project, see: BENN, Concetta - Brotherhood of St Laurence Project Report - Family Centre Project Report No. 1 (November, 1972): Report No. 2 (July, 1973): Report No. 3 (February, 1974) - Brotherhood of St Laurence.

8. What constitutes 'full employment' is discussed on p.28.

9

A profile of these men reveals that:

- (a) They are unskilled and semi-skilled.
- (b) The majority work as labourers and factory operatives.
- (c) An overwhelming majority have unstable work patterns.
- (d) Many of them and their families are in poor health.
- (e) They have had little education.
- (f) They are unable to save and insure.
- (g) They live in Housing Commission and privately rented accommodation.
- (h) Their average weekly income is less than the minimum wage.

It might be thought that the unskilled and semi-skilled unemployed should be able to find employment in 'the vast generalised demand for non-specific types of labour', but this is an assumption based on a statistical illusion. There are always vacancies for the unskilled and semi-skilled, but within this 'generalised' and 'non specific' demand, employers do have particular demands and expectations depending on occupational or industrial experience. The unskilled are not competitors for the work of the skilled whereas "when work is scarce, the skilled man becomes a competitor for the unskilled man's job."¹⁰ The skilled are not often expected to take work below their skill levels. The unskilled and semi-skilled do not even have this protection.

9. SALMON, Jan - Income & Inequality - the role of the income supplement scheme in the Family Centre Project. Brotherhood of St Laurence research submission to the Commonwealth Comm. of Enquiry into Poverty, January, 1974.

10. HILL, M - HARRISON, R.M. - SARGENT, A.V. - TALBOT, V. Men Out of Work - A Study of Unemployment in the English Towns - Cambridge University Press, 1973 - p.142.

THE WORK CONTEXT -

The nature of work is crucial in determining people's motivation towards work. Discussions about unemployment should give consideration also to low wages, unequal working conditions, the nature of work itself, the unequal distribution of income, inequality of power, social stratification, the rate of remuneration, the quality of management/labour relationships and the environmental conditions of work.

It needs to be stated that 'bad jobs' exist and that they are 'bad jobs' because they are noxious or dangerous, casual or seasonal, dead-end and underpaid, undignified and menial. There are two ways to fill these kinds of jobs. The first is to pay higher wages than for the 'good jobs'. The second is to require those who have no other choice to do the 'bad jobs' for low wages.¹¹

Jobs are of differing status and the status frequently determines the income. Low status occupations in mines, factories, steelworks, shipyards, offices and shops are filled by low status unskilled and semi-skilled groups.

For professional and skilled tradesmen, work means an opportunity to do something which engages their interest, skill and enthusiasm, to have a free hand, to experience the stimulation of being trusted and assuming responsibility, to be constantly learning new things and developing in personal stature. For the unskilled and semi-skilled, work is boring and meaningless, a necessary evil which is controlled by others and which drains their physical and mental resources.

11. For a discussion of the nature of unskilled and semi-skilled work:

GRIFFITHS, David - Unemployment - The Facts and Effects, Brotherhood of St Laurence, 1972 - pp.32-33

LACEY, Graham: Doing the Dirty Work - 'Action', Brotherhood of St Laurence, No. 202 - December, 1973, p.5.

The former Director of the Victorian Chamber of Manufacturers, Ian Macphee, M.H.R., has suggested:¹²

"An industrial worker's job rarely interests him enough to be the central part of his life. He may sometimes have a strong attachment to his workplace, but rarely a total commitment to it. Nor is there any reason why he should; it seems natural and desirable that he should find his main interests in the intimate relations formed outside his job.

A person who is only expected to be a zombie in manual chores as on the assembly line (with its stupefying repetition and numbing pace) will often become a vegetable in his social life."

The practice of scapegoating low-income people as 'workshy' is an evasion of the really significant questions about the nature of unskilled and semi-skilled work and how it is crucial in determining people's motivation towards work.

It is time that our community affirmed the principle that everyone should have the right to congenial work. If this claim is true for white-collar workers, it should be equally applicable to unskilled and semi-skilled workers. It should be seriously questioned whether they should be forced to accept work which is dangerous, noxious, low-paid or where their basic rights and needs are disregarded.

It would be understandable then, why it might be assumed that the unskilled and semi-skilled unemployed are 'workshy'. They have every reason to be 'workshy' for 'they' are expected to accept jobs that 'we' would find unacceptable and distressing. We rationalise our expectation by a series of justifications designed to justify 'our' affluence and 'their' poverty.

12. MACPHEE, Ian M. - What should we expect of the Worker and his Union to humanize work? - Industrial Relations Society of Victoria - 6th Residential Convention, Humanizing Work - October, 21 1972 - pp.3-4.

A small but significant survey undertaken by the Department of Labour for the Commonwealth Commission of Enquiry into Poverty has concluded that very few of the unemployed have anti-work attitudes. Unfortunately, the survey has not been published.¹³ Publication of the survey is imperative for it would help our understanding of the attitudes of some people who are unemployed.

There is also the result from an investigation of a joint working party established by the Department of Social Security and the Department of Labour which was appointed to examine the regulations concerning the work test.¹⁴

Although the working party recommended a toughening-up of the work test, it did conclude that much of the public criticism of the unemployed is ill-informed. It is regrettable that the document contains no evidence to support its view that the work test should be toughened - only an assumption that something has to be done about the 'workshy'. The working party report is also confidential and its publication would be a useful contribution to public understanding of the difficulties encountered by those who administer policies for the unemployed.

The Australian evidence then is small, but significant and, unfortunately, not available for public consideration.

13. The only available public information is in 'The Sunday Press', February 24, 1974 - Vol. 1, No. 25 - pp.14-15.

14. For a discussion of the work test, see p.17-19.

More substantial evidence is available, however, from the U.K. and the U.S.A. A 1971 study of 1,018 unemployed men in three large urban areas - Coventry, Hammersmith and Newcastle-upon-Tyne in the U.K., has suggested that:¹⁵

"There seems to be no evidence from this survey to substantiate the view that many men remain unemployed because it is more lucrative than working. It is very doubtful that more than a very small number of men fall into this category and, secondly, it cannot conclusively be proved that longer periods of unemployment are due to high unemployment income, rather than the possession of other characteristics such as low level of skill."

15. HILL, M - HARRISON, R.M. - SARGENT, A.V. - TALBOT, V. Op. Cit. - p.130

One hypothesis tested by the study was whether 'under certain circumstances, it is unprofitable to the individual to work. The testing of this required the examination of the relation between income when out of work and income normally received or expected in work. This hypothesis is often linked in popular judgments with the high social security income received by men with large families, hence examination of family sizes and commitments was also required ... It was decided to ask direct questions about commitment to seeking work and the extent of selectivity .. a variety of indirect approaches were also developed, involving questions about job-seeking methods, reasons for losing jobs, willingness to move home or to work away from home, and willingness to accept training.

pp. 13-14 - A methodological appendix, pp 153-155.

The research was undertaken by the Department of Social and Administrative Studies, University of Oxford. Hill has outlined the purpose of the research:

(Cont'd)

In the U.S.A., cash assistance was paid to over 1,350 low-income families in New Jersey and Pennsylvania over a three-year period in order to test whether or

15. (Cont'd.)

- (a) To examine what proportion of the long-term or frequently unemployed are, in fact, distinguished by characteristics that set them clearly apart from those who move off the unemployed register fairly easily.
- (b) To study the complex interaction of factors that play a part in the unemployment problems of those whose difficulties are not so readily explained by simple characteristics, developing a system of typologies to organise this task, and
- (c) An attempt to frame some indices that will add up to a balance of possibilities that a man will have difficulties in obtaining employment (p.228) - HILL, M. 'Unemployment Research'. Appendix 1. in STEVENSON, Olive Claimant or Client? A Social Worker's View of the Supplementary Benefits COMMISSION, George Allen & Unwin Ltd., London, 1973 - National Institute Social Services Library, No. 25.

or not people might work less if they were given money. The study concluded¹⁶:

"That a negative tax type plan with a basic benefit as high as the official poverty line will not trigger large-scale reductions in work effort among male heads of families. Indeed, there is no evidence here that even a small proportion of male heads would drop out of the labor force completely in response to such a plan; small labor supply reductions are likely to be evenly spread over large numbers of workers. Without a mandatory work requirement, the male heads of families maintained high levels of labor force participation under all of the experimental plans."

16. U.S. Department of Health, Education and Welfare
Summary Report: New Jersey Graduated Work Incentive
Experiment.

A social experiment in negative taxation sponsored by the Office of Economic Opportunity. December, 1973. pp.vi-vii.

"The New Jersey/Pennsylvania Experiment was designed to measure the response of households containing an able-bodied male between 18 and 58 (not going to school full time, institutionalised, or in the armed forces) to a set of negative income tax plans. These plans guaranteed a certain payment (the guarantee) in the event that the household received no other income, and reduced this payment by a certain percentage (the tax rate) of every dollar earned up to the income level (break-even level) at which the payment was reduced to zero. Four guarantee levels (50, 75, 100, 125 per cent of the official poverty line) and three tax rates (30, 50, 70 per cent) were tested. These were combined into 8 separate negative income tax plans (50-30, 50-50, 75-30, 75-50, 75-70, 100-50, 100-70, 125-50). To be eligible families had to have an income for the year preceding the experiment of not more than 150 per cent of the poverty line." (P.D-1

"Each family remained in the experiment for three years. Intensive interviews were conducted every three months to measure a variety of family attributes, including

(cont'd.)

16. (cont'd.)

labor supply and other behavioral responses." p.11

The research was conducted by the Institute for Research on Poverty, University of Wisconsin and Mathematica Inc., Princeton, New Jersey.

POLITICS AND THE UNEMPLOYED -

Of late, there has been considerable political pressure to take a harder line with the unemployed. As a consequence, on the 14th April, 1974, the Minister for Labor, Mr Cameron, announced¹⁷ that action was being taken to make it difficult for the 'workshy' to get unemployment benefit.

Previously, on March, 12 1974, Mr Cameron was reported as saying:¹⁸

"I have got no sympathy for people who can be described as professionally unemployed, who treat the benefits as a satisfactory alternative to working.

We are looking at whether the formula or the criteria attached to the test can be tightened.

I am not satisfied that there are not some who are just remaining on unemployment benefits rather than accepting work - especially young people. I want to get rid of slackers who are on unemployment benefits and who just won't work. We have 97,000 people right now out of work and 91,000 jobs waiting for people to fill them."

Mr Cameron's statement evoked responses from various politicians. On the same day, the Premier of Victoria, Mr Hamer; the Victorian Minister for Labour and Industry, Mr Rafferty; and the Leader of the Federal Opposition, Mr Snedden, reinforced and extended Mr Cameron's remarks.

17. CAMERON, Clyde - Press Release: Unemployment Benefit and the Work Test, 22/74 - April, 14 1974.

18. The statistics quoted by Mr Cameron are the unemployment and unfilled statistics for February, 1974 - Sun News Pictorial March, 12 1974, p.1.

Mr Hamer said:¹⁹

"There has never been a real excuse for any able-bodied person not to work when jobs are available."

Mr Rafferty said:

"It is absolutely ludicrous that there should be 97,000 people out of work and 91,000 vacant jobs. It is pretty obvious that since Labour took office the ground rules have been altered to such an extent that we must be paying out millions of dollars to people whose only ambition in life is to laze around at the expense of the taxpayer."

Mr Snedden said:²⁰

"It is about time Australia was rid of people ostensibly proclaiming themselves to be lion tamers, wood carvers or process workers well knowing no vacancies exist and in this way avoid working."

There were several reasons for these generalisations about the unemployed. Apart from the very real shortage of labour which had a serious effect upon productivity levels in industry generally²¹ there was resentment by many sections of the community towards the Labor Government's decision to relax the conditions of 'work test'. In February, 1973, the Department of Social Security had eased the criteria determining eligibility for unemployment benefits.

Mr Hamer's statement and the following statement by Mr Rafferty are taken from:

19. The Herald - March, 12 1974 - p.6.

20. Official Press Release from the Leader of the Opposition, Ref. No. 33/74 - March, 12 1974.

21. For comments on the labour shortage:

TOWNSLEY, John - 'Wanted! 500 men to travel' THE HERALD March, 27 1974, p.1.

Employers back Cameron in attack on "slackers" - THE AUSTRALIAN FINANCIAL REVIEW, No. 3356 - March, 13 1974, p.9

(cont'd.)

The regulations were changed to provide that a claimant should be offered employment in his usual occupation or its equivalent, where his experience, qualifications and training would be used. In some cases, staff of the Department of Labour had misgivings about implementing new regulations which they believe favour the 'workshy'. Employers, too, are unhappy with the Department of Labour because it is not meeting their labour needs. Pressure to toughen the work test then has come from employers, the staff of the Department of Labour and politicians.

21. (cont'd.)

There are also stories on the 'battlers' - stories about heroic individuals who are battling on despite adverse personal circumstances:

CATHIE, Peter - 'Battling Elsa ... priced 'em right'
LISTENER-IN T.V. - April, 20-26, 1974, Vol. 47, No. 16 -
p.2

PEEK, Tony 'Mother Forced into Crime' CHADSTONE PROGRESS,
April, 17, 1974 - p.1

BOLING, Dulcie - 'Down the drain goes Dick's 650' -
CHADSTONE PROGRESS, April, 17 1974 - p.3.

The dissolution of the Federal Parliament and the advent of a Federal Election tipped the scales in favour of a toughened work test. On April 14, 1974, the Minister for Labour, Mr Cameron, announced that a Working Party, consisting of senior officers of the Department of Labour and the Department of Social Security had recommended changes to the work test and that the Working Party "expected" these guidelines to minimise abuses and to identify the 'workshy' more effectively." ²² Quite obviously, the Labor Government was determined to demonstrate to the work-conscious electorate that it was not soft on the unemployed.

22. See Footnote 17:

The Working Party also reported that 'much of recent public criticism alleging widespread abuse was unwarranted.' (Presumably, this included Mr Cameron's own reported criticism.)

The new work rules are:

"A claimant will generally be regarded as having refused or failed without good and sufficient reason to accept an offer of employment if he is unwilling to accept and perform work offered to him in his usual occupation or work of the equivalent kind. Work of an equivalent kind is work of a type or nature in which the person usually engages or in which the person's experience, qualifications and training could be used. ('or' replacing 'and', and 'could' replacing 'would').

School leavers and others not previously engaged in employment, and those seeking to rejoin the work force after some time will generally be regarded as having refused or failed without good and sufficient reason to accept an offer of employment if unwilling to accept and perform work offered which is in keeping with their personal preferences as far as is practicable and their abilities, aptitudes or experience, qualifications and training.

('as far as is practicable and their' - additional to previous text.)

22. (Cont'd.)

Not to be outdone by the Labour Government, the Liberal/Country Party coalition promised, during the election campaign, that it would further toughen the work test.

We will:

"Provide unemployment benefits only to those genuinely unable to obtain employment or for whom employment reasonably appropriate to their age and capacity cannot be found. To this end we will:

Strengthen the work test requirement so that individuals should accept reasonable alternative forms of employment after a specified time, or forfeit their eligibility.

Restructure the present rates of unemployment benefits to remove some of the stupid anomalies created by the Labor Government which, in some areas, made it 'bad economics' for a man to work. One of many examples is the case of young single men receiving more money from unemployment benefits than with apprenticeship.

Initiate measures to increase incentives for the training and retraining of long-term unemployment benefit recipients and help them to consider any alternative employment where available.

Study the special needs of dependents of unemployed persons.

Social Security Policy, April, 21 1974 - p.8."

ATTITUDES -

To understand community attitudes towards the unemployed, it is necessary to understand community attitudes towards the poor. Most of us would like to see something done about poverty, but not at our own expense. Coming to terms with this is difficult for it means recognising that the structure of our society produces, perpetuates and reinforces poverty and inequality. This, in turn, necessitates the recognition that either we have benefited from the inequality of others or that we ourselves are victims of inequalities.²³

The dilemma is resolved by some people adopting a view point that sees poverty as occurring to categories of persons. The poor exist as a result of individual disabilities or unfortunate circumstances. This is why low-income groups are defined by disabilities such as aged males (single), aged females (single), aged couples, fatherless families, motherless families, large families, sick or invalid and unemployed.²⁴ The resolution of poverty lies in the development of particular policies tailored to the individual case.

23. Inequality can be economic, functional and intellectual. We are concerned with economic and political inequality. This discussion is pursued at length in the Brotherhood of St Laurence's Submission to the Poverty Enquiry, - Submission to the Commonwealth Commission of Enquiry into Poverty, Brotherhood of St Laurence - July, 1973 - pp. 3-19.

24. The disability categories used here are those of the Poverty Enquiry. Poverty in Australia - Interim Report of the Australian Government's Commission of Inquiry into Poverty - March, 1974, p.10.

In our policies and in our attitudes, we also distinguish between the 'deserving' and 'undeserving' poor.²⁵ The 'deserving' poor are 'disability groups who are poor through no fault of their own - the sick, the invalid and the elderly. The 'undeserving' poor are lazy and not prepared to help themselves - the young, homeless men and the unemployed.

Whether the poor are perceived as 'deserving' or 'undeserving', the overall stigmatizing effect of such definitions and distinctions is to blame the victim.²⁶

25. For a discussion of how our 'welfare' system discriminates between the 'deserving' and 'undeserving' poor consult:

GRIFFITHS, David - Emergency Relief - a Working Paper prepared for the Social Welfare Commission by the Brotherhood of St Laurence, December, 1973 - (To be published).

The Labor Cabinet accepted recommendations from an inter-departmental committee that employees affected by structural change will get a combination of income maintenance, retraining and relocation expenses. Displaced employees are to be paid an amount equal to their average weekly earnings for the previous six months, subject to a limit of 1.5 times average weekly earnings, for a period of up to six months.

HAUPT, Robert - 'Cabinet announces plan to help displaced employees' - THE AUSTRALIAN FINANCIAL REVIEW, April, 24 1974, No. 3384, p.11.

26. An excellent publication which discusses how we blame the victim: RYAN, William - Blaming the Victim - Vintage, 1972.

The very act of identifying, defining and responding to the 'poor' is to concentrate attention on individuals and, in doing so, ignore a whole set of structural and attitudinal factors.²⁷

The labels themselves are, in fact, flexible in their application. When unemployment is regarded as high (1961 and 1972), there is more sympathy towards the unemployed. It is in times of so-called full employment and labor shortages (1974) that the label of 'workshy' comes to be placed upon those who are not working.

27. For a discussion of the consequences of using words such as 'poverty' and 'poor':

Submission to the Commonwealth Commission of Enquiry
into Poverty - Brotherhood of St Laurence - July,
1973, pp.3-8

Richard Sennett and Jonathan Cobb have offered an explanation as to why we develop antipathetic attitudes towards the unemployed. The basis of this hostility is the assumption that people on welfare or benefit are 'getting away with something I never got away with':²⁸

"If there are people who have refused to make sacrifices, yet are subsidized by the state, their very existence calls into question the meaning of acts of self-abnegation. Since sacrifice is a voluntary virtue, a meaning the sacrificer has created out of the material circumstances of his life, it takes only one 'welfare chiseler' getting sympathy and help from the authorities without any show of self-sacrifice, to make that willed, that created meaning ever so vulnerable. Do the 'chiselers' have some secret: he doesn't know about? No, that would leave him with absolutely nothing: even sacrificing himself does not give strength then. If women on welfare are free, if they can receive money from the state to support themselves and their always-present but never-seen men, then he has become superfluous as the provider for his family, his sacrifices are no longer essential to his wife and children. Yet, we have seen, only sacrifice is supposed to make a person 'worth' something to those he loves.

Those who refuse to sacrifice must, therefore, be the incarnation of evil, the denial if anything a decent man does, evil not simply unto themselves, but destroyers of his own powers to believe and hope. And yet they, in their good sex and good booze, show what kind of freedom comes when you stop trying to perform. It is for this reason that hard-working fathers are both appalled and fascinated by the figure of the 'welfare chiseler'."

28. SENNETT, Richard/COBB, Jonathan - The Hidden Injuries of Class - Vintage, New York, October, 1973 - pp.137-138. Although writing about the attitudes of blue-collar workers in U.S.A., the observations are equally applicable to the attitudes of Australians.

In our Submission to the Commonwealth Commission of Enquiry into Poverty, we argued that²⁹ words like 'poverty', 'poor' and 'disadvantaged' have become convenient shorthand devices used by commissions of enquiry, social workers and welfare agencies to categorise low-income groups.

The word poverty is a descriptive term which describes people who exist on an inadequate level of consumption, who have insufficient food, clothing, shelter and other commodities regarded as necessary for living in reasonable comfort.

However, poverty is also an emotive word which has been used to imply inferiority and failure. The poor have failed to attain an adequate level of consumption and they are regarded as inferior because of this. The danger we saw at the outset is that by using words like poverty, we could make the mistake of confusing a consequence for a cause.

There are very serious difficulties involved in using a term like poverty because of its implicit and explicit assumptions. To say that an individual or a family is poor is to make a judgment and invite a comparison. To say that a person is poor is to compare him with ourselves as someone else - to initiate and establish a relationship between the poor and the non-poor.

In a technologically advanced country like Australia, the poor are a minority group and are designated as such by the defining majority who are not poor. Non-poor people make policies and create institutional structures for, and deliver services to, people who are poor and who need help.

29. See reference in Footnotes 23 and 27, pp.3-8.

A constellation of personal deprivation factors such as health, housing, education, employment, financial, social and emotional factors all interlock to trap or reinforce poor people in poverty. This suggests the notion of a self-perpetuating 'poverty cycle' which is often passed on from generation to generation. The attached case histories are in themselves stark illustrations of this fact.

Policies, structures and services are usually aimed at helping poor people to adapt, conform and function better in the community and there is an admittedly urgent need to create conditions that would ameliorate the personal hardship experienced by the poor.

But, poverty is, in fact, structural in origin - the poor are poor because of the structural arrangements of society. It is essential to realise that the problem of poverty in an affluent society is not so much the problem of the individual poor person as a problem of society itself.

Thus, society must accept the responsibility for the welfare of those people such as the Brotherhood of St Laurence Family Centre members who are the subject of this report.

UNEMPLOYMENT AND INFLATION -

Higher rates of unemployment have increasingly been predicted by politicians, economists, trade unionists and editorialists. A depressing scenario by Dr Peter Sheehan, of the Melbourne Institute of Applied Economic and Social Research, suggests a 3% unemployment rate - an unemployment figure of approximately 175,000²⁹.

29. HAUPT, Robert - 'Grim Forecast' - the Australian Financial Review, No. 3429 - June, 28 1974, pp.1 & 8.

For some typical and recent comments on unemployment and inflation:

'Agency Claims Unemployment Crisis Coming' - The Australian, No. 3104 - June, 28 1974, p.2.

'End of the Boom near - Employers' - The Australian, No. 3081 - June, 1 1974, p.2.

Forell, Claude - 'A Choice: Inflation or Unemployment' The Age, July, 11 1974, p.8.

Hughes, Barry - 'A Very Useful Kind of Cliche' - The Australian, No. 3113, July, 9 1974, p.9

'Inflation like War: Academic' - The Age, June, 13 1974, p.17

Twomey, David - '2 p.c. jobless intolerable, says Hawke' The Australian, No. 3113 - July, 9 1974, p.2.

Turner, John - 'Report Predicts Huge Job Loss' - The Australian, No. 3047 - April, 23 1974, p.7

'We Won't Tolerate Job Cut' - The Age, June, 10 1974, p.3

There is, at present, an official view that a full employment in Australia means that between 1% and 1.5% of the workforce will be unemployed.³⁰ But, then, there has been for a long time a running controversy as to whether these are realistic figures and whether or not they should be revised and whether we should be thinking of full employment as being equal to an unemployment figure of 3%, 4% or more.

Such a debate occurred in 1972 when the unemployment rate exceeded the official full employment rate. The Victorian Chamber of Manufactures commented:³¹

"The present level of unemployment - 1.78% seasonally adjusted for March, 1972 - is in sharp contrast to the situation pertaining at this time last year, and the year before. In the second half of 1970, unemployment was less than 1% seasonally adjusted and was a significant factor behind the current rate of inflation. V.C.M. believes that excessively low levels of unemployment give Unions the added leverage they need to gain over-award and over-time payments from industry and government. Through wage relativity claims, these payments are eventually recognised by Wage Tribunals and allowed to flow quickly to all wage earners. During the last 2 years, the overfull employment 'psychology' has contributed greatly to wage cost push inflation and the government needs to balance its social and economic costs against the benefits of a low unemployment figure."

30. An Analysis of Full Employment in Australia - Labor Market Studies, No. 2 - Department of Labour & National Service, 1970, pp. 2 & 13.

"In Australia, the full employment zone, expressed in terms of the proportion of the labour force registered as unemployed with the C.E.S., lay roughly between 1.0 and 1.5 per cent during the post-war period. It cannot be assumed, however, that the limits of the stable full employment zone will necessarily be the same in the future." p.13

The Secretary of the Queensland Employers' Federation, Mr J. Jones, has suggested³² that to maintain a stable economy, Australia needed an unemployment level of about 4.5%. Mr Jones said there was a large and increasing number of people in Australia, particularly in rural and coastal areas, who do not want to work and who are prepared to 'make do' with odd jobs. There were, he said, a growing number of people who were unemployable in Australia and there were those who did not work well enough to keep on and those whose appearance was not satisfactory:

"I realise that this is not a popular view, but it is a view which overseas' economists have been obliged to take. A balance has to be struck between massive unemployment and galloping inflation, and countries like America have found 4.5% a reasonable unemployment figure."

The Deputy Leader of the Opposition, when he was Minister for Labour and National Service, Mr Lynch, has pointed out two disadvantages that occur when unemployment figures are low:³³

"Firstly, employment security can produce a high rate of labour turnover and absenteeism. The costs of labour turnover are not only the obvious ones of recruitment and training of replacements, but include the value of output lost due to delays in filling vacancies and the inexperience of new employees. Secondly, a prolonged period of employment security strongly enhances the bargaining power of unions and weakens the resistance of employers to unreasonable wage demands. In the past few years, trade union leaders have come to realise that they are in such a strong position that they can often dictate, rather than negotiate, terms and conditions of employment to employers."

(cont'd.)

31. Victorian Chamber of Manufactures Economic Service, June, 1972, No. 86, pp.2-3

32. The Australian - February 18, 1972, p.9

(cont'd.)

These views can be summed up in the following terms:

- (a) The absence of the fear of unemployment has a disruptive impact on the economy.
- (b) Unemployment maintains the authority of the employer over employees.
- (c) In times of low unemployment, there is an increase in absenteeism and job turnover - proving wasteful and costly to the economy.

Clearly, we cannot have it both ways. We cannot say that the unemployed are slackers who should be forced back to work and also maintain that unemployment is a necessary anti-inflationary device which is important to the health of the economy.

(Cont'd.)

33. LYNCH, Phillip - Employment Security - Department of Labour and National Service - April, 15 1972, pp.13-14.

WHAT NEEDS TO BE DONE -

1. It is sometimes assumed that the ultimate solution lies in getting the unemployed into job retraining programmes. In a submission made by the Brotherhood of St Laurence to the Committee of Enquiry into Labour Market Training, the point was made that most existing training programmes are quite inappropriate for the people involved in the Brotherhood's Family Centre in Fitzroy. Most of the training programmes are for a three month period which is far too short and are obviously concerned with marginally increasing present levels of skill for individuals. Many Brotherhood families would need a great deal more time in order to be able to participate effectively in these programmes. In other words, the majority of people in the Family Centre are not looking for retraining but for training. Low educational levels combined with feelings of low self-esteem make them ineligible for most retraining schemes which assume a certain level of skill and experience in the first instance. The point was also made that existing provisions appear to be too rigid; one Family Centre member found that if he worked full-time throughout 1974, he would not be eligible for retraining. If, however, he was in and out of a job throughout that year, he would be eligible. Many problems also exist with regard to apprenticeship provisions as many of the jobs which men would wish to do require apprenticeship training for which they are ineligible because they are too old.

Training programmes available through the Department of Labour need to focus much more upon individual personal needs; a good deal of time is required in the preliminary motivation process prior to entering job training programmes.

The Federal Government, in developing job retraining programmes, should also create job training opportunities. But, even then, many of the so-called 'hard core' unemployed need a great deal of personal assistance and initial preparation before they would be able to undertake effective job training or retraining programmes. Present training programmes are unsuccessful because they are not sufficiently orientated to individual personal needs. What is needed is a personalised approach which involves unemployed people in the process of making decisions themselves. Such a service should involve group discussions on matters related to work such as the work ethic, the reasons for unemployment, the reasons why people are unemployable, what is unemployable, 'bad' jobs and 'good' jobs and community attitudes towards unemployment and work.

In Low Income Groups and the Election,³⁴ we argued that:

"An incoming government should commit itself to providing special preparatory programmes aimed at building up self-confidence and basic educational skills of people who are currently unemployable. Every effort should be made to see that each person is carefully assessed and individually planned training programmes devised."

2. The range of work opportunities should be expanded. Canada has pioneered a job creation programme which allows individuals or groups to decide what they want to do in their community and how they want to do it. They prepare a detailed description of a project which covers the nature of the work to be undertaken, how the project will meet a community need, the cost of the project and the expected completion date. If the project meets certain standards and funds are available, members of the group receive a grant from the Canadian Government to pay for salaries and expenses. Preference is given to projects attempting new solutions to old problems or else creating new community services rather than containing existing programmes. Similar programmes should be introduced in Australia.

34. Brotherhood of St Laurence - Low Income Groups and the Election - May, 1974, p.22
See also Appendix 4, p.59

3. The Department of Labour's research study on the long-term unemployed should be released immediately. At the present time, this information is not public and there is an urgent need for the Minister to release this report because it could partly refute many of the generalised allegations made against the unemployed. For the same reason, the report of the working party should also be released.

4. If the work test is to be more stringent in its application, it is important to differentiate between those actively seeking work and those with personal and work problems, without discriminating against the latter as is presently the case. Just as those who are actively seeking work without success are eligible for unemployment benefits, so those with special problems affecting their work capacity should be eligible for special benefits.

5. The very real need for a guaranteed minimum income should also alert us to the need for guaranteed congenial work. This, of course, would require changes in the control, content and ownership in the work situation itself. A Special Task Force to the Secretary of Health, Education and Welfare in the United States has suggested that:³⁵

"The solution to the 'welfare mess' - if there is one - is to be found in meaningful and dignified work, in our society's explicit revelation of need for each person's contribution."

35. Work in America - Report of a Special Task Force to the Secretary of Health, Education and Welfare. Prepared under the Auspices of the W. E. Upjohn Institute for Employment Research. The M.I.T. Press, p.185.

6. The Australian Government should abolish the 7-day waiting period required before applications for unemployment benefits can be made. As we noted in 'Low Income Groups and the Elections':³⁶

"Claimants for unemployment and sickness benefit have to wait 7 days until they become eligible for benefit.

The purpose of the 7-day waiting period is to avoid large numbers of applications for unemployment and sickness benefits from people who are likely to obtain employment within 7 days. The assumption is that people should be able to manage without any income for 7 days. This assumes that families will have savings and perhaps holiday pay in addition to the last pay received at work. It is meant to cover the expenses of the week in which work ends and also the first week of a new job.

Assumptions about savings and the shortness of the period of unemployment and sickness are correct for some people but, as so often happens, low-income families suffer because these assumptions do not apply to them. For low-income families, the 7-day waiting period imposes hardship, particularly when they do not receive pay until a week after they have resumed employment."

36. Brotherhood of St Laurence, Low Income Groups and the Election, May, 1974 - p.13.

7. The argument for an emergency benefit has been put forward in Low Income Groups and the Election:³⁷

"The Australian Government should consider providing an emergency benefit for all those persons eligible or awaiting pensions and benefits and other persons in necessitous circumstances if the present system cannot be improved.

If it is not possible to raise pensions and benefits above present subsistence levels and reduce the initial period of delay in payments, then there is a strong case for paying people an emergency benefit.

This does not necessarily mean that the need would disappear once there were substantial increases in pension and benefit payments. It would mean, however, that the need could be significantly reduced amongst those actually eligible for such payments. For the low-income person, too many everyday things become emergencies, such as rent, hire purchase, mortgage payments, rates, taxes, electric light and gas bills.

The introduction of an emergency benefit would have three main advantages:

- (a) Families with no income or savings would be free from the desperate fear of how to manage until the first pension, benefit or family assistance payment arrives.
- (b) Families would be relieved of the embarrassment of having to approach numerous voluntary agencies simply because they have no money.
- (c) If voluntary agencies are relieved from having to give financial help to families during crisis periods, they could concentrate more of their funds on helping families that have special needs. Thus their programmes could place greater emphasis upon research and human development."

APPENDIX 1. -

-CASE STUDIES-

Group 1. - Those cut off benefits as a direct result of more rigorous application of the work test in April, 1974:

ALWYN -

Alwyn is 40 years old, married, and the father of 9 children. The family live in a Housing Commission house in an outer suburb for which they pay a rent of \$15.00 per week. Jill, Alwyn's wife, suffers from chronic asthma which is aggravated by anxiety. Because of her condition, he feels that he should be home as much as possible to help her cope with the house and children.

Alwyn has had little formal education. One of a large family, his father was a timber worker, and he spent his childhood moving from place to place as his father chased work in timber mills. Even when settled in one place, Alwyn went to school only every second or third day. As a result, he is almost totally illiterate, knowing only what he taught himself after leaving school. He reached 5th grade at the age of fourteen and then left, saying the teachers were 'only too glad to get rid of me'.

Alwyn's first job on leaving school was as a builder's labourer. He stayed in this job for a month and then left.

"I had an argument with me parents and cleared off up the bush and got the best job I ever had - managing a sheep farm for an old bloke I knew up there. There was no book-work or anything - he used to do all the book-work - I'd just do all the work around the farm like - used to get a quid a week and everything I wanted."

After six years, this job ended with the death of his employer and the sale of the farm.

Since then, Alwyn has worked mainly in timber mills and, in his own words, knows the timber game upside-down. He has no job skills apart from his experience in this area and, since moving to Melbourne, has found it almost impossible to get a job which he feels he knows how to do:

"Anywhere round here you go and tell them that you've got experience in timber mills - they offer you work as a machinist - furniture - toy machines - and you tell them that you've had experience with the big saws, and they just scrub you straight off."

The only job which Alwyn has been offered in any way connected with timber was in a woodyard. He very much wanted to take the job, but the wages were \$10.00 less than Unemployment Benefits, and he would have found it impossible to support his large family on such a low wage.

In order to make more money than he would get on Unemployment Benefits, Alwyn is forced to work extremely long hours. His last job was process-work in a plastics factory, working night-shift in twelve hour stretches:

"Only one job I really didn't like - I was in plastics actually - and that was that hot. You'd go in and your hands would get covered with blisters. I only lasted about two days - nights actually - it was twelve hour shifts - 140 dollars a week. Your hands would be all blistered. The stuff would be all stuck to the machine, and you had to pull like heck to get it out, and it came with a heck of a rush, and I nearly burnt all me elbow to pieces on it."

After leaving this job, Alwyn applied for Unemployment Benefits. He failed the work test, and since the 24th April, this year, the only income received by the family has been that provided by the Brotherhood of St Laurence Income Supplement Scheme.

Alwyn wants to work, but the only type of work he can do, he is unable to get:

"See I'm suited for one job and one job only - that's timber work. Now even though I like it I can't get it 'cause that means I've got to go up around Gipps-land and the bush like where there's no opportunities or anything for me family up there - unless I make the kids work timber but you can't make the girls go into timber mills cause there's no such thing and Jill can't - see with four asthmatics in the family and you're usually about thirty or forty miles out and there's no hospital - and it's no life for the kids."

* * * * *

EMPLOYMENT RECORD -

7/2/73	Received Unemployment Benefits.
28/3/73	" " "
18/4/73	" " "
8/5/73	" " "
22/5/73	To start work on following Thursday in Briquette Yard.
29/5/73	Job fell through - still on U.B.
20/6/73	Planned to start job in timber-yard but would have earned \$10.00 less than Unemployment Benefits.
2/7/73	Received Unemployment Benefits.
10/7/73	Started demolition work.
13/7/73	Worked two days; gave it up because the weather was too cold. Started work at a bakery.

EMPLOYMENT RECORD (Cont'd.)

18/9/73	Sacked.
25/9/73	Reapplied for Unemployment Benefits.
21/11/73	Hoped to be re-employed by bakery.
18/12/73	Did some wrecking work, but didn't get paid.
25/12/73	Received Unemployment Benefits.
5/2/74	Cut off Unemployment Benefits after 16 months.
11/2/74	Started work in factory.
26/2/74	Sacked.
5/3/74	Started work in a plastics factory - night shift.
19/3/74	Away sick. Intended to apply for Sickness Benefit.
24/4/74	Lost job. unemployed and failed work test. Supported by Brotherhood of St Laurence Income Supplement.

KEITH -

Keith is in his mid thirties, married, with four children. The children are aged between 10 and 2 years. They live in a Housing Commission flat for which they pay rent of \$15.00 a week. Mary, Keith's wife, suffers from a kidney infection and has only recently been released from hospital after an operation. She is often incapacitated and finds it impossible to manage the house and children without Keith's help. He sees this as a major barrier to his finding work:

"I mean at the moment it's a bit difficult cause I've got to stop at home and look after the wife. When she's better - in the next few weeks - well I can get a job then - but at the moment she's sort of going backwards and forwards over to the hospital and I've got to look after her."

Keith's education was poor; he left school at fourteen, after reaching sixth grade in state school without learning to read or write. He sees his lack of education as one of the chief determining factors of his life:

"That's the most important thing I missed in my life - schooling. See me father never cared about me schooling you know - never had the money - always drank his money and never paid for me education. He didn't see that as important in me life."

Keith's first job on leaving school was as a process worker in a shoe factory. He stayed there 12 months before he 'sort of got sick of it' and left. Since then he has worked mainly as a labourer except for one period with the Railways which he describes as the best job he ever had:

"... it's all out in the open and you know instead of stopping in one place you're sort of moving along the track like."

Keith worked for the Railways for fifteen years. This ended when the Railways laid criminal charges against him. At the time of the charges, the family was living in a Railway-owned house in a small country town. When Keith was arrested, he was sent to Melbourne where he spent some months in Remand. Mary and the children were forced to leave the house, and they too came to Melbourne.

The case eventually came to Court, and the charges against Keith were dismissed:

"I was in jail and I got out and they sent me up to a place near Cressy. We were stuck in the middle of nowhere. Well that was no good for the wife cause she had a crook leg."

So after that - Keith left the Railways. Since then, he has had long periods of unemployment, working only a day or two at different unskilled jobs. Although he still wants to get a job, he admits that he has lost the motivation to work:

"... it sort of makes you lazy if you don't. You get that way you don't want to work in the finish. If you get used to getting the money for nothing, you sort of don't want to work, you know."

On 30th April this year, Keith failed the work test, and was cut off Unemployment Benefits. Since then, the Brotherhood of St Laurence Income Supplement Scheme has fully supported the family.

* * * * *

EMPLOYMENT RECORD -

27/8/73	Unemployed. Applied for Unemployment Benefits.
3/9/73	Hoped to start work with a city council, but the job fell through.
11/9/73	C.E.S. sent him after a job as a labourer. Didn't pass the medical.

EMPLOYMENT RECORD (Cont'd.)

18/9/73 C.E.S. offered a job at a seaside suburb as a labourer. Keith didn't take it as it was too far to travel. Failed work test and refused Unemployment Benefits.

25/9/73 Worked as labourer/packer. Earned \$52.00 a week.

16/10/73 Wage not enough to live on. Left job and reapplied for Unemployment Benefits.

7/11/73 Couldn't get a job because of S.E.C. strike. Factories weren't taking men on.

11/12/73 Received Unemployment Benefits.

22/1/74 Looked for jobs, but nothing was available.

2/4/74 Received Unemployment Benefits.

30/4/74 Failed work test. Cut off Unemployment Benefits.

JOHN -

John is in his early twenties, the elder of two brothers. He lives with his mother, a pensioner, in a Housing Commission flat. His education was poor - Form 1 level - and since leaving school, he has had no job training of any sort. He has expressed the desire to work as a motor mechanic, but is prevented from doing this by his poor educational background. As the Employment Record (below) shows, John works only very occasionally at jobs which are both dull and poorly paid. He has twice failed the Work Test and been cut off Unemployment Benefits, but this has no effect on his employment pattern - see the period from 21/8/73 - 5/3/74.

Since failing the work test on the 23rd April, he has worked for only one day - process work in a sausage factory, washing sausage skins. In order to go to the job, John needed a hair-cut, a new pair of shoes and a new shirt - all paid for by his pensioner mother.

* * * * *

EMPLOYMENT RECORD -

22/5/73	Wanted to apply for job as motor mechanic. Unable to do so because of poor education.
10/7/73	Employed washing bottles. Casual rates: \$8.00 a day - Weekly wage, \$45.00 a week.
24/7/73	Changed jobs. Employed with his brother at chocolate factory - \$45.00 a week.
7/8/73	Left job and applied for Unemployment Benefits.
21/8/73	Failed the work test.

EMPLOYMENT RECORD (Cont'd.)

9/10/73 Offered a job. Refused it.
16/10/73 Offered a job at \$25.00 a week. Refused it.
30/10/73 Left for Brisbane.
14/11/73 Unemployed in Brisbane.
27/11/73 Returned to Melbourne - unemployed.
5/3/74 On Unemployment Benefits.
9/4/74 On Unemployment Benefits.
23/4/74 Failed the work test. Cut off Unemployment
 Benefits.

Since that time, the Brotherhood of St
Laurence Income Supplement Scheme has
been assisting his pensioner mother to
support her two sons.

Group 2 - Those who are neither working nor on benefit who refuse to register as unemployed:

PETER -

Peter is in his early thirties, married, and the father of three small children. The family lives in a house which is extremely run down. The roof leaks very badly and the whole house is in need of repair. Their rent is \$27.00 per week.

Peter reached 3rd Form at high school and then left:

"I had to leave for the simple situation, my mother was more or less dependent on me as the only child left at home. My father had separated from my mother and also she was in great difficulty in obtaining any money from him at that particular stage - there was nothing in the way of maintenance. Therefore I had to leave school."

On leaving school, he started an apprenticeship as a carpenter. He stayed at this for three and a half years, and then left to earn more money.

"... and therefore I had to chuck it in and get something that would, you know, try and help us a bit more."

Since then, Peter has worked mainly as a storeman and a labourer. He explains leaving them as:

"dissatisfactory - I didn't think I was suited for that type of work."

He is extremely bitter about the contact he has had with the Commonwealth Employment Service, and refuses to have anything further to do with them:

"Under the present system, if you refuse a job therefore you've refused unemployment benefits and they think this is a big thing to do - I don't think it is at all for the simple reason why - you'll get the out-and-out indigener, and you'll get the bloke that wants a little bit of prestige for his job. If you're a storeman and you've spent a few years doing storeman you don't want to go out and dig drains, and this is what happens just to get away from knocking on their doorstep, and they don't worry about your welfare or your family's welfare."

In March of this year, Peter started a course under the Commonwealth Retraining Scheme. Although he enjoyed the course itself immensely, financial problems and worry about his housing situation caused him to leave the course before it was completed. Since this time, he has been unemployed. Because he feels sure that he will fail the work test, he refuses to apply for unemployment benefits.

Shortly after Peter left the Retraining Course, Vera, his wife, started part-time work as a packer in a biscuit factory. The family has been managing on her earnings - \$49.00 a week - plus money from the Income Supplement. But, at the beginning of the week, the factory put off all its part-time employees because there was not enough work for them. Vera was one of them. So now the family is totally dependent on the Income Supplement Scheme.

Should it be thought that Peter is 'workshy', it is significant to note that he does a great deal of work in the Family Centre and accepts considerable responsibilities on his own initiative.

EMPLOYMENT RECORD -

7/2/73	On Unemployment Benefits.
14/2/73	3 days' work as Storeman.
7/3/73	Left job.
21/3/73	New job as Storeman.
11/4/73	Not working.
25/4/73	On Unemployment Benefits (in Remand during interval).
26/6/73	On Unemployment Benefits.
13/8/73	Worked 2 days.
21/8/73	Worked as a Labourer.
28/8/73	Left job.
4/9/73	Worked one day. Failed work test.
23/11/73	Worked as a Stoker in a Foundry.
18/12/73	Injured at work. Off work.
19/3/74	Started Retraining Course.
23/4/74	Dropped out of Course. Refused to apply for Unemployment Benefits.
24/4/74	Unemployed since this date.

DAVID -

David is in his late forties, married, and the father of seven children. Of these children, three are at home and the rest are in state institutions. The family lives in a Housing Commission house in an outer norther suburb for which they pay \$7.00 per week. The only income, apart from that paid by the Brotherhood of St Laurence Income Supplement Scheme, is a Supporting Mother's Benefit of \$47.00 a week which is paid to Norma, David's wife.

David's background is one of deprivation and poverty. His father, a miner, died while he was only young, leaving his mother to care for the family of seven on a Widow's Pension. David's education was poor - leaving him semi-literate. He left school at fourteen after reaching the 4th grade. His first job on leaving school lasted only two weeks. He was put off when the factory was sold. After this, he went on Unemployment Benefits for the first and last time:

"So, I went into social security and I got sick and tired of putting me form in, and that - so they offered me a job somewhere - I forget the name of the place - and I said how do I get there with no money. And the blokes said well that's your fault - no-one else's fault - and so I filled in the form, but they knocked me back wouldn't give me no money cause I didn't take the job. So I said righto then and after that I haven't been back."

After this brief period on Unemployment Benefits, David worked as a farm labourer for six years and then as a car mechanic for seven years. He left both these jobs after an argument with the boss. Since then he has been doing various forms of casual work - factory work, gardening and working on building sites as a labourer.

David last worked in February, 1973. He was employed casually cleaning bricks and given \$5.00. The job lasted for two days.

David sees several barriers to obtaining work. Although their Housing Commission house is by far the best and cheapest that they have ever had, he claims that there is little work to be had in the area, and to travel elsewhere in search of work costs money that the family does not have:

"You get a paper and all right there's a job there - and the job might be in town or it might be in Richmond. Well, okay - where do I get the money from - Norma? By the time she pays out her debt and anything like that way - well let alone clothes and lunches, you don't have travelling fares or nothing like that at all ... our area is useless for work that's for sure."

MICHAEL -

Michael is in his late twenties, married, with five children. The three eldest children are state wards, in foster care with a maternal great Aunt. The family lives in a housing commission house. Ann, his wife, is in receipt of an Invalid Pension of \$34.50 per week, and allowances for the two children at home. Over the years, this has been the main family security and, during Michael's many absences when he was in prison, has prevented the family from disintegrating completely. He does not apply for unemployment benefits because this could jeopardize Ann's pension.

Michael is one of a family of nine. His father was killed when he was five, and his mother reared the family on a Widow's pension. He left school at the age of thirteen and a half. He is almost totally illiterate. After leaving school, he worked part-time for five and a half years delivering briquettes and wood. After this time, he was laid off because the work got too slack. Since that time, he has worked at many different jobs:

"Like I've done bricklaying. I've done carpenting. I've worked in sawmills, I've done plumbing - any other job you want to name I've done them."

Michael last worked loading timber in August, 1973. The job lasted two days. During that time, the family slept in the car. In May, he applied for a part-time job as night watchman. He didn't get the job because he is unable to read or write. Since this time, he has been unemployed and not on Unemployment Benefits.

Michael is caught in a dilemma. Given a long history of job insecurity, his wife's Invalid Pension does give the family a measure of security. He fears that by accepting a low-paid, tenuous job, he could place the family in further jeopardy, particularly in the light of his poor employment record. Thus, Michael feels that his best chance lies in finding part-time work where he could earn up to \$40.00 without his wife's pension entitlement being affected:

"... I've looked everywhere. I've driven what close to 200 miles one day just looking for part-time jobs and there's none - not for my qualifications, which I've got none. Yet I can do a bit of everything. There's not a job I can't do but they want the bit of paper."

The family is being fully supported by the Brotherhood of St Laurence Income Supplement Scheme.

APPENDIX 2 -

THE UNITED NATIONS INTERNATIONAL COVENANTS ON
HUMAN RIGHTS:

THE UNITED NATIONS INTERNATIONAL COVENANTS ON
HUMAN RIGHTS

International Covenant on Economic, Social and Cultural
Rights -

Part III - Article 6

1. The States Parties to the present Covenant recognize the right to work, which includes the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts, and will take appropriate steps to safeguard this right.

2. The steps to be taken by a State Party to the present Covenant to achieve the full realization of this right shall include technical and vocational guidance and training programmes, policies and techniques to achieve steady economic, social and cultural development and full and productive employment under conditions safeguarding fundamental political and economic freedoms to the individual.

Part III - Article 7

The States Parties to the present Covenant recognize the right of everyone to the enjoyment of just and favourable conditions of work which ensure, in particular:

- (a) Remuneration which provides all workers, as a minimum, with:
 - (i) Fair wages and equal remuneration for work of equal value without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work;
 - (ii) A decent living for themselves and their families in accordance with the provisions of the present Covenant;

Part III - Article 7 (cont'd.)

- (b) Safe and healthy working conditions;
- (c) Equal opportunity for everyone to be promoted in his employment to an appropriate higher level, subject to no considerations other than those of seniority and competence;
- (d) Rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays.

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APPENDIX 3 -

OTHER BROTHERHOOD OF ST LAURENCE PUBLICATIONS

OTHER BROTHERHOOD OF ST LAURENCE PUBLICATIONS:

P. J. Hollingworth, The Powerless Poor - A comprehensive guide to poverty in Australia. Stockland, Melbourne, 1972.

David Griffiths, Unemployment - The Facts and Effects, A social action study. Brotherhood of St Laurence, Melbourne, 1972.

Judith O'Neill and Rosemary Nairn, The Have Nots - a study of 150 low-income families, a Brotherhood of St Laurence research project. Brotherhood of St Laurence, Melbourne, 1972.

Two Worlds - School and the Migrant Family, a Brotherhood of St Laurence social action study. Stockland, Melbourne, 1971.

Judith O'Neill and Janet Paterson, The Cost of Free Education - Schools and low-income families, a research study of the Brotherhood of St Laurence. Cheshire, Melbourne, 1968.

David Scott and Robert U'Ren, Leisure - A social enquiry into leisure activities and the needs of an Australian housing estate. Cheshire, Melbourne, 1962.

Anne Stevenson, Elaine Martin and Judith O'Neill, High Living - A study of family life in flats. Melbourne University Press, Melbourne, 1967.

Action for Family Planning - A proposal by the Brotherhood of St Laurence. Brotherhood of St Laurence, Melbourne, 1970.

Planning Families - An exploratory study of the attitudes and reaction of Women attending the Brotherhood of St Laurence Family Planning Clinic. Brotherhood of St Laurence, Melbourne, 1970.

Brotherhood of St Laurence Project Report - Material Aid Service No. 1. Brotherhood of St Laurence, Melbourne, July, 1973.

Brotherhood of St Laurence Project Report - Family Day Care, Nos. 1, 2 and 3. Brotherhood of St Laurence, Melbourne, May, 1972; November, 1972; October, 1973.

Brotherhood of St Laurence Project Report - Family
Centre, Nos. 1; 2 and 3. Brotherhood of St Laurence,
Melbourne, November, 1972; July, 1973; February, 1974.

APPENDIX 4. -

EXTRACT FROM 'AUSTRALIAN LABOUR MARKET TRAINING' -
THE REPORT OF THE COMMITTEE OF ENQUIRY INTO LABOUR
MARKET TRAINING - MAY, 1974:

economic growth, the Committee believes that in the process of overcoming labour imbalances the potential of labour market training as an instrument of social policy has not been fully appreciated. Labour market training can offer to the community continuing opportunities for economic and social progress that it might otherwise be denied. These opportunities include the encouragement of individual development and the promotion of social equity.

2.11 Training and retraining for occupational upgrading can provide a positive alternative to various forms of welfare support for the unemployed and otherwise disadvantaged, as well as open up avenues of employment promotion which can enhance the individual's earning potential and contribute to the overall development of higher work force skills. In this connection, the Committee is impressed with the long-term need to encourage the concept of life-long learning as vocational requirements change.

2.12 While the number of people involved may not be numerically large, the Committee takes cognisance of the view put to it by Professor R Henderson and several social welfare agencies, that many disadvantaged people are unaware of the training assistance available and may lack the confidence and knowledge to seek it out. The Committee was impressed with the work being done by employment counsellors under the Employment Training Scheme for Aborigines in bringing information about the Scheme to those who might benefit from it. A similar kind of "outreach" programme would provide a valuable means of seeking out poor and under-privileged people in urban and country areas. Such assistance would normally need to be provided on an individual basis and those giving it should be carefully selected and trained for the work. They will need to be understanding, considerate, patient and sympathetic in the approach to the difficulties likely to be encountered.

2.13 With regard to the question of social equity, three areas of training may be briefly mentioned as being of particular importance. First, there is the problem of inequality between races which arises in its most acute form in the need to assist Aborigines. Their case needs little elaboration. There is no simple solution to overcoming the difficulties which have beset Aborigines in our community, but every assistance should be given to encourage them to achieve high levels of skills and thus make an effective contribution to community life. In addition, it will often be necessary to provide special forms of pre-training assistance.

2.14 The Committee believes that the Employment Training Scheme for Aborigines is making a very helpful contribution to aboriginal welfare. However, there is room for augmenting it to ensure that as many Aborigines as possible are brought up to the highest levels of skill they are capable of attaining, and that they are carefully placed with appropriate and understanding employers.

2.15 Second, there is a need to assist other economically disadvantaged groups for whom training can provide a means of obtaining better employment and can help them emerge out of poverty. These include those unemployed as a result of some personal handicap, lack of basic education, language difficulty, or other personal characteristics which may make it difficult for them to obtain work even in times of buoyant economic

activity. The Committee understands that for males this group normally comprises some 40 per cent of the total unemployed registered with the Commonwealth Employment Service and for females around 35 per cent.

2.16 In many cases, the vocational training required will be of an elementary kind designed to provide some basic skills for which there is demand. However, it may also be necessary to provide special additional assistance in the form of remedial education, language training, or work orientation training to help individuals overcome deficiencies that might otherwise inhibit them from undertaking vocational training. There will, in addition, be a need to provide supportive vocational guidance and social work counselling services.

2.17 To the extent that some of these groups have hitherto been regarded as unemployable, there will be substantial benefits, both social and economic, to be derived from labour market training which is sufficiently comprehensive and flexible to provide the range of assistance measures needed. The Committee believes the costs incurred in providing such a programme will be largely offset by the benefits accruing to the community from the increased output produced from the additional supplies of trained labour and from savings in welfare expenditures.